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THOMAS B. SWARTZ
EDWIN W. GREEN
FREDERICK A. MORGAN
GRANT R. DUBOIS
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PAUL J. SANNER
TERRENCE V. PONSFORD
WOODROW W. DENNEY
RICHARD T. BOWLES
CHARLES F. PREUSS
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GILMORE F. DIEKMANN, JR.
ROBERT MCK. BIRMINGHAM, JR.
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RICHARD G. MALONEY, JR.
GARY L. HULTQUIST
THOMAS H. SLOAN, JR.
SAMUEL D. DAVIS
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PHILIP R. DIAMOND
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0438
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AUG 13 1976 9 20 AM

August 6, 1976 INTERSTATE COMMERCE COMMISSION

6-22610
Date Aug 13 1976
Fee \$ 50

Interstate Commerce Commission
Washington, D.C. 20423

CC Washington D C

Gentlemen:

Enclosed are four original and acknowledged copies of a document entitled "Security Agreement - Railroad Cars" dated August 5, 1976. The original document and two acknowledged counterparts are submitted to you for filing pursuant to 49 U.S.C. § 116.3. Please return the fourth original copy to the undersigned in the enclosed self-addressed envelope with your acknowledgment of filing endorsed thereon.

Pursuant to 49 U.S.C. § 116.4, we herewith supply you with the following information:

The enclosed document constitutes a mortgage of certain railroad cars. The mortgagor is Amarco Incorporated, a California corporation, who is our client. The mortgagee is Fore Terminal, Inc., a California corporation. Guarantors include Fore Trucking Co., Inc., a corporation, James W. Fore, Helen Fore, Louis Fore, and Kenneth Haynes.

The equipment covered by the document consists of eleven (11) 100-ton railroad tank cars with a capacity of approximately 20,000 gallons, ICC Identification Nos. FTIX 1001, FTIX 1003, FTIX 1004, FTIX 1006, FTIX 1007, FTIX 1008, FTIX 1009, FTIX 1011, FTIX 1012, FTIX 1014 and FTIX 1016, inclusive.

The documents should be forwarded to me at the address above, and may be done so in the enclosed return envelope. Enclosed is our check for \$50.00 to cover your fee.

RECEIVED
AUG 13 9 27 AM '76

Very truly yours,

Michael H. Ahrens
Michael H. Ahrens

Interstate Commerce Commission
August 6, 1976
Page Two

SIGNATURE OF EXECUTIVE OFFICER

Pursuant to Title 47, I, Orlando J. Bruderer, Executive Officer of Amarco, Incorporated, have read the foregoing letter of transmittal and certify that I have knowledge of the matters set forth therein.

Orlando J. Bruderer, President
of Amarco, Incorporated

MHA:em

Enclosures

cc: Amarco, Incorporated
Fore Terminal, Inc.

Interstate Commerce Commission

Washington, D.C. 20423

8/13/76

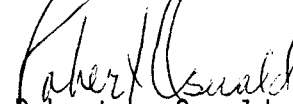
OFFICE OF THE SECRETARY

• Bronson, Bronson & McKinnon
555 California Street
San Francisco, Calif. 94104
Attn.: Michael H. Ahrens

•
Dear Sir:

The enclosed document was recorded pursuant to the provisions
of Section 20c of the Interstate Commerce Act, 49 U.S.C. 20c, on **8/13/76**
at **9:30am**, and assigned recordation number **8438**

Sincerely yours,


Robert L. Oswald
Secretary

4
Enclosure

SE-39
(2/75)

AUG 13 1976 9 00 AM

RECEIVED AUG 9 1976

INTERSTATE COMMERCE COMMISSION
SECURITY AGREEMENT - RAILROAD CARS

THIS AGREEMENT made and entered into this 5 day of August, 1976, between FORE TERMINAL, INC., a California corporation, hereinafter called Debtor, FORE TRUCKING INC., a corporation, and AMARCO INCORPORATED, a California corporation, hereinafter called Secured Party.

Recitals

Debtor has requested Secured Party to lend to Debtor such sums as may be from time to time mutually agreed upon, upon the security of certain collateral described below; and

Secured Party is willing to lend such sums upon the terms and conditions described below;

NOW, THEREFORE, it is hereby agreed as follows:

1. Pursuant to the provisions of the California Uniform Commercial Code, Debtor hereby grants to Secured Party, and Secured Party hereby accepts a security interest in the following described collateral:

Eleven 100-ton railroad tank cars with the capacity of approximately 20,000 gallons, ICC identification numbers FTIX 1001, 1003, 1004, 1006, 1007, 1008, 1009, 1011, 1012, 1014, and 1016, inclusive, together with all increases and replacements thereof, all accessions thereto, and all other personal property of

the same type which Debtor now owns or holds or may hereafter acquire, located on the premises described below, or if the collateral be farm products then when and wherever acquired, whether or not the same is specifically enumerated herein, and further, Debtor hereby grants to Secured Party a security interest in the proceeds and products thereof. Said collateral is located on or at:

Owner: Fore Terminal, Inc.
Alameda, California

To be operated on railroad lines in the United States and Canada by Debtor.

2. This Agreement secures the payment, in lawful money of the United States of America to said Secured Party, at its address set forth below, of the following:

(a) A promissory note of even date herewith executed by Debtor payable to Secured Party, in the amount of \$50,000.00, with interest as provided therein;

(b) Payment of all other promissory notes of Debtor and of Fore Trucking, Inc., a corporation, of even date herewith, and performance of all the terms, conditions and covenants under those certain agreements of even date herewith between Debtor and Secured Party, and between Fore Trucking, Inc. and Secured Party, which agreements are entitled "Security Agreement" and "Security Agreement - Accounts Receivable";

(c) All further advances which may be made by Secured Party to Debtor and/or Fore Trucking, Inc.,

including, but not limited to, all advances and expenditures made by Secured Party for the protection, maintenance, preservation or repair of the collateral; and

(d) All liabilities of any kind, whether primary, secondary, direct or contingent, which are now due or which may hereafter become due from Debtor to Secured Party.

3. Debtor warrants that:

(a) Debtor is the owner of the collateral clear of all liens and security interests except the security interest granted herein; and

(b) that Debtor has the right to make this Agreement.

4. Debtor will:

(a) Pay the Secured Party all amounts payable on the note mentioned above and on all other obligations of Debtor and Fore Trucking held by Secured Party as and when the same shall be due and payable, whether at maturity, by acceleration or otherwise, and will perform all obligations for which this Security Agreement has been given as security.

(b) Defend the collateral against the claims and demands of all persons.

(c) Insure the collateral against all hazards requested by Secured Party in form and amount satisfactory to Secured Party.

(d) Keep the collateral in condition satisfactory to Secured Party; attend to and care for the collateral; maintain the present buildings and improvements, if any, on said real property in good condition and repair; give Secured Party prompt notice of any damage to the collateral or to the said real property; permit Secured Party to enter upon the said real property at reasonable times for the purpose of examining the collateral, the real property, the buildings and improvements.

(e) Immediately pay Secured Party as part of the debt hereby secured all amounts including attorneys' fees with interest thereon paid or advanced by Secured Party (i) for taxes, levies, insurance, repairs to or maintenance of the collateral and (ii) in taking possession of, disposing of, or preserving the collateral after any default hereinafter described.

(f) Immediately inform Secured Party in writing of any change in the residence of Debtor.

(g) If the collateral is crops or livestock, protect, produce, develop and grow said collateral in accordance with the standards of good husbandry.

5. Without the prior consent in writing of the Secured Party, Debtor will not:

(a) Permit any of the collateral to be removed from the continental United States.

(b) Permit any liens or security interests (other than Secured Party's security interest) to attach to any of the collateral or to be levied upon under any legal process, or dispose of the collateral, or permit anything to be done that may impair the value of the collateral, or of the security interest created hereby.

6. If Debtor fails to obtain insurance as required herein, Secured Party shall have the right to obtain it at Debtor's expense and Debtor assigns to Secured Party all rights to receive proceeds of insurance, not exceeding the liabilities of Debtor to Secured Party hereunder; Debtor directs any insurer to pay all proceeds directly to Secured Party and authorizes Secured Party to endorse any draft or check for the proceeds. If Debtor fails to make any payments necessary to preserve and protect the collateral, the Secured Party may make such payments. Any payments made by the Secured Party under the provisions of this Section 6 shall be secured by this Security Agreement and shall be immediately due and payable by Debtor to Secured Party.

7. Debtor hereby nominates and appoints Secured Party as attorney-in-fact to do all acts and things which Secured Party may deem necessary or advisable to perfect and continue perfected the security interest created by this Security Agreement and to preserve, process, develop, maintain and protect the collateral. In order to protect, preserve and develop the collateral, Debtor authorizes Secured Party to

enter upon the premises where said collateral is located and to use for such purposes any equipment and facilities of Debtor. Debtor authorizes Secured Party to collect and receive proceeds and products of the said collateral, and this Agreement shall be deemed an assignment thereof to Secured Party.

8. Failure by the Debtor in the performance of any covenant or agreement herein or in the discharge of any liability to Secured Party, or the giving of any warranty that should prove untrue, or the commencement of any proceedings under the bankruptcy or similar laws by or against Debtor, shall constitute an event of default under this Agreement. Upon the occurrence of any such default Secured Party, at its option may accelerate the maturity of any obligation or obligations of Debtor to Secured Party regardless of the terms of any promissory note or other instrument evidencing the same. Upon the occurrence of any such event of default Secured Party shall also have all of the rights and remedies of a secured party under the California Uniform Commercial Code or other applicable law and all rights provided herein, or in any other applicable security or loan agreement, all of which rights and remedies shall, to the full extent permitted by law, be cumulative. Without limiting the generality of the foregoing, upon the occurrence of any such event of default Secured Party is entitled to take possession of the collateral

or any part thereof, and to take such other measures as Secured Party may deem necessary for the protection of the collateral. Secured Party may, after any such event of default, require Debtor to assemble the collateral and to make it available to Secured Party at a place designated by Secured Party which is reasonably convenient to Secured Party and Debtor. Any notice of sale, disposition or other intended action by Secured Party sent to Debtor at least five days prior to such action shall constitute reasonable notice to Debtor. The waiver of any default hereunder shall not be a waiver of any subsequent default.

9. Any notices or communications provided for to be given in this Agreement shall be sent by either party to the address set opposite the name of the party signing below, or to such other address as may be substituted in writing by either party from time to time.

10. All rights of Secured Party hereunder shall inure to the benefit of its successors and assigns; all obligations of Debtor shall bind its heirs, executors, administrators, successors and assigns. If there be more than one Debtor their obligations hereunder shall be joint and several. Debtor will execute any additional agreements, assignments or documents that may be deemed necessary or advisable by Secured Party to effectuate the purposes of this Agreement.

IN WITNESS WHEREOF, Debtor, Fore Trucking, and Secured Party have caused this Agreement to be executed this 5 day of August, 1976.

DEBTOR:

[Seal]

FORE TERMINAL, INC.

By James W. Fore
Its Chairman

SECURED PARTY:

[Seal]

AMARCO INCORPORATED

By B. C. Brudner
Its Secretary

FORE TRUCKING:

[Seal]

FORE TRUCKING, INC.

By James W. Fore
Its Chairman

STATE OF California)
COUNTY OF San Francisco) ss.

On this 5th day of August, 1976, before me personally appeared James W. Fore, to me personally known, who being by me duly sworn, says that he is the Chairman of FORE TERMINAL, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was

signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Seal]



555 California St., 34th Fl., San Francisco, CA. 94104

Edith Moerbe
Notary Public

My commission expires: 3/18/78

STATE OF California)
COUNTY OF San Francisco) ss.

On this 5th day of August, 1976, before me personally appeared B. C. Bruderer, to me personally known, who being by me duly sworn, says that he is the Secretary of AMARCO INCORPORATED, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Seal]



555 California St., 34th Fl., San Francisco, CA. 94104

Edith Moerbe
Notary Public

My commission expires: 3/18/78

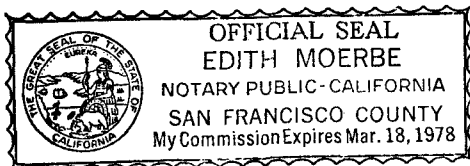
STATE OF California)
COUNTY OF San Francisco) ss.

On this 5th day of August, 1976, before
me personally appeared James H. Fore, to me per-
sonally known, who being by me duly sworn, says that he
is the Chairman of FORE TRUCKING, INC.,
that the seal affixed to the foregoing instrument is the
corporate seal of said corporation, that said instrument
was signed and sealed on behalf of said corporation by
authority of its Board of Directors, and he acknowledged
that the execution of the foregoing instrument was the free
act and deed of said corporation.

[Seal]

Edith Moerbe
Notary Public

My commission expires: 3/18/78



555 California St., 34th Fl., San Francisco, CA. 94104